

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF OREGON

UNITED STATES OF AMERICA, )  
 ) Cr. No. \_\_\_\_\_  
 )  
 Plaintiff, )  
 )  
 v. )  
 ) **INDICTMENT**  
 )  
 DEAN KIRKLAND, )  
 GARY KIRKLAND, ) [18 U.S.C. §§ 1954, 2, 981  
 ROBERT LEGINO, ) 28 U.S.C. § 2461]  
 )  
 Defendants )

**THE GRAND JURY CHARGES:**

At all relevant times:

**INTRODUCTORY ALLEGATIONS**

**Dean Kirkland**

1. **DEAN KIRKLAND** was an employee of Capital Consultants (“Capital”). Capital, whose primary place of business was Portland, Oregon, was a provider of investment services to employee pension benefit plans and employee welfare benefit plans subject to Title 1 of the Employee Retirement Income Security Act of 1974 (collectively referred to hereafter as “Plans”). **DEAN KIRKLAND** was Capital’s principal salesperson to the Plans and solicited and accepted funds from the Plans for investment. The Plans entrusted funds to Capital for investment and paid fees to Capital. **DEAN KIRKLAND** earned commissions based upon the amount of money his clients invested with Capital. Capital exercised control over Plan funds entrusted to Capital

for investment pursuant to investment management agreements with the Plans. The agreements were administered by Plan trustees.

**Robert Legino**

2. **ROBERT LEGINO** was a trustee of the following Plans: the International Brotherhood of Electrical Workers (“IBEW”) Eighth District Electrical Pension Fund; the IBEW Eighth District Electrical Pension Fund Annuity Plan; and the Electrical Industry Benefit Vacation and Paid Holiday Fund. Until approximately June 1998, **ROBERT LEGINO** was also an officer of an employee organization, the IBEW Local 68, whose employees were covered by the above-named Plans.

3. As a trustee acting on behalf of Plan participants and beneficiaries, **ROBERT LEGINO** participated in and influenced actions and decisions of the Plans, including, but not limited to, the investment of Plan funds with Capital.

4. In 1997, the IBEW Eighth District Electrical Pension Fund, of which **ROBERT LEGINO** was a trustee, invested approximately \$27 million dollars with Capital, earning fees for Capital of approximately \$330,000. The IBEW Eighth District Electrical Pension Fund regularly added to the balance of funds entrusted to Capital for investment and in 2000, that Plan had approximately \$65 million invested with Capital, earning Capital approximately \$ 1.1 million in fees. The IBEW Eighth District Electrical Pension Fund Annuity Plan and the Electrical Industry Benefit Vacation and Paid Holiday Fund, Plans for which **ROBERT LEGINO** was a trustee, also had funds invested with Capital.

**Gary Kirkland**

5. **GARY KIRKLAND**, father of **DEAN KIRKLAND**, was a trustee of three Plans: the 401(k) Retirement Fund of the Office and Professional Employees International Union (“OPEIU”), Local 11; the Western States Local Union Trust Fund of the OPEIU; and the Western States Pension Trust. **GARY KIRKLAND** was also an officer of an employee organization, the OPEIU Local 11, whose employees were covered by the above-named Plans.

6. As a trustee acting on behalf of Plan participants and beneficiaries, **GARY KIRKLAND** participated in and influenced actions and decisions of the Plans, including, but not limited to, the investment of Plan funds with Capital.

7. In 1997, the 401(k) Retirement Fund of the OPEIU, Local 11, of which **GARY KIRKLAND** was a trustee had approximately \$38 million invested with Capital, earning Capital fees of approximately \$275,000 that year. That Plan regularly added to the balance of funds entrusted to Capital for investment and in 2000, the Plan had approximately \$50 million invested with Capital, earning Capital fees of approximately \$325,000. The Western States Local Union Trust Fund of the OPEIU, of which **GARY KIRKLAND** was a trustee also had funds invested with Capital. In 1997, that fund had approximately \$7 million invested with Capital, earning Capital fees of approximately \$91,000 and in 2000, the fund had approximately \$10 million invested with Capital earning Capital fees of approximately \$95,000.

**DEAN KIRKLAND**  
**COUNTS 1-20**

8. Paragraphs 1 through 7 of the introductory allegations are re-alleged and incorporated herein.

9. On or about the dates identified below for each count, in the State and District of Oregon, **DEAN KIRKLAND**, because of any of the actions, decisions, and other duties of Plan trustees, related to any question or matter concerning such Plan, including, but not limited to the allocation and investment of Plan funds with Capital, directly and indirectly gave and offered and promised to give and offer fees, kickbacks, commissions, gifts, loans, money, and things of value (identified below, for each count, as “Thing of Value”) to the Plan trustees listed below for each count, to wit:

| <b>Count</b> | <b>Date</b>                  | <b>Thing of Value</b>                                    | <b>Trustees</b>                                              |
|--------------|------------------------------|----------------------------------------------------------|--------------------------------------------------------------|
| <b>1</b>     | September 9-16, 1997         | Hunting Trip in Alaska and related expenses              | Robert Legino, Gary Kirkland                                 |
| <b>2</b>     | November 8-16, 1997          | Hunting Trip at Oxbow Ranch, Oregon and related expenses | Robert Legino, Gary Kirkland, and one or more other trustees |
| <b>3</b>     | February – August, 1998      | Legal Fees and Fines                                     | Gary Kirkland                                                |
| <b>4</b>     | April 7, 1998                | Denver Broncos Tickets                                   | One Trustee                                                  |
| <b>5</b>     | May 8, 1998                  | Rifle                                                    | Robert Legino                                                |
| <b>6</b>     | August 21- September 2, 1998 | Hunting Trip in Africa and related expenses              | Robert Legino, Gary Kirkland                                 |
| <b>7</b>     | September 18-20, 1998        | Hunting Trip at Clover Creek Ranch, Oregon               | One or more trustees                                         |

| <b>Count</b> | <b>Date</b>                  | <b>Thing of Value</b>                                                             | <b>Trustees</b>                                              |
|--------------|------------------------------|-----------------------------------------------------------------------------------|--------------------------------------------------------------|
| <b>8</b>     | November 17-23, 1998         | Hunting Trip at Hubbard's Yellowstone Lodge, Montana and related expenses         | Robert Legino, Gary Kirkland, and one or more other trustees |
| <b>9</b>     | March 22, 1999               | Denver Broncos Tickets                                                            | One trustee                                                  |
| <b>10</b>    | April 19-28, 1999            | Hunting Trip in Alaska                                                            | One or more trustees                                         |
| <b>11</b>    | July 5-9, 1999               | Fishing Trip at Tsuniah Lake Lodge, British Columbia, Canada and related expenses | Gary Kirkland and one or more other trustees                 |
| <b>12</b>    | September 21-28, 1999        | Hunting Trip in Montana and related expenses                                      | Gary Kirkland and one or more other trustees                 |
| <b>13</b>    | November 26-December 1, 1999 | Hunting Trip at The Lodge at Chama, New Mexico and related expenses               | Robert Legino, Gary Kirkland, and one or more other trustees |
| <b>14</b>    | December 13, 1999            | Colorado Rockies Tickets                                                          | One trustee                                                  |
| <b>15</b>    | December 27-30, 1999         | Hunting Trip in Mexico and related expenses.                                      | Gary Kirkland and one or more other trustees                 |
| <b>16</b>    | January 2000                 | Rifle                                                                             | Robert Legino                                                |
| <b>17</b>    | January 2000                 | Rifle                                                                             | One trustee                                                  |
| <b>18</b>    | March 22-31, 2000            | Hunting Trip in Argentina and related expenses                                    | Robert Legino, Gary Kirkland, and one or more other trustees |
| <b>19</b>    | May 23-28, 2000              | Fishing Trip in Alaska and related expenses                                       | Gary Kirkland and one or more other trustees                 |
| <b>20</b>    | September 8-13, 2000         | Hunting Trip in Alaska and related expenses                                       | Gary Kirkland and one or more other trustees                 |

all in violation of Title 18, United States Code, Sections 1954 and 2.

**ROBERT LEGINO**  
**Counts 21-28**

10. Paragraphs 1 through 7 of the introductory allegations are re-alleged and incorporated herein.

11. On or about the dates identified below, in the State and District of Oregon, **ROBERT LEGINO**, because of any of the actions, decisions, and other duties of **ROBERT LEGINO** related to any question or matter concerning the IBEW Eighth District Electrical Pension Fund, the IBEW Eighth District Electrical Pension Fund Annuity Plan, and the Electrical Industry Benefit Vacation and Paid Holiday Fund, including, but not limited to the allocation and investment of Plan funds with Capital, received and agreed to receive and solicited fees, kickbacks, commissions, gifts, loans, money, and things of value (identified below, for each count, as “Thing of Value”) from **DEAN KIRKLAND** and Capital Consultants, to wit:

| <b>Count</b> | <b>Approximate Date</b>      | <b>Thing of Value</b>                                                     |
|--------------|------------------------------|---------------------------------------------------------------------------|
| <b>21</b>    | September 9-16, 1997         | Hunting Trip in Alaska and related expenses                               |
| <b>22</b>    | November 8-16, 1997          | Hunting Trip at Oxbow Ranch, Oregon and related expenses                  |
| <b>23</b>    | May 8, 1998                  | Rifle                                                                     |
| <b>24</b>    | August 21-September 2, 1998  | Hunting Trip in Africa and related expenses                               |
| <b>25</b>    | November 17-23, 1998         | Hunting Trip at Hubbard’s Yellowstone Lodge, Montana and related expenses |
| <b>26</b>    | November 26-December 1, 1999 | Hunting Trip at The Lodge at Chama, New Mexico and related expenses       |
| <b>27</b>    | January 3, 2000              | Rifle                                                                     |
| <b>28</b>    | March 22-31, 2000            | Hunting Trip in Argentina and related expenses                            |

all in violation of Title 18, United States Code, Sections 1954 and 2.

**GARY KIRKLAND**  
**Counts 29-40**

12. Paragraphs 1 through 7 of the Introductory Allegations are re-alleged and incorporated herein.

13. On or about the dates identified below for each count, in the State and District of Oregon, **GARY KIRKLAND**, because of any of the actions, decisions, and other duties of **GARY KIRKLAND** related to any question or matter concerning the 401(k) Retirement Fund of the OPEIU Local 11, the Western States Local Union Trust Fund of the OPEIU, and the Western States Pension Trust including, but not limited to the allocation and investment of Plan funds with Capital, received and agreed to receive and solicited fees, kickbacks, commissions, gifts, loans, money, and things of value (identified below, for each count, as “Thing of Value”) from **DEAN KIRKLAND** and Capital Consultants, to wit:

| <b>Count</b> | <b>Approximate Date</b>       | <b>Thing of Value</b>                                                             |
|--------------|-------------------------------|-----------------------------------------------------------------------------------|
| <b>29</b>    | September 9-16, 1997          | Hunting Trip in Alaska and related expenses                                       |
| <b>30</b>    | November 8-16, 1997           | Hunting Trip at Oxbow Ranch, Oregon and related expenses                          |
| <b>31</b>    | February – August, 1998       | Legal Fees and Fines and related expenses                                         |
| <b>32</b>    | August 21-September 2, 1998   | Hunting Trip in Africa and related expenses                                       |
| <b>33</b>    | November 17-23, 1998          | Hunting Trip at Hubbard’s Yellowstone Lodge, Montana and related expenses         |
| <b>34</b>    | July 5-9, 1999                | Fishing Trip at Tsuniah Lake Lodge, British Columbia, Canada and related expenses |
| <b>35</b>    | September 21-28, 1999         | Hunting Trip in Montana and related expenses                                      |
| <b>36</b>    | November 26- December 1, 1999 | Hunting Trip at The Lodge at Chama, New Mexico and related expenses               |
| <b>37</b>    | December 27-30, 1999          | Hunting Trip in Mexico and related expenses                                       |

| <b>Count</b> | <b>Approximate Date</b> | <b>Thing of Value</b>                          |
|--------------|-------------------------|------------------------------------------------|
| <b>38</b>    | March 22-31, 2000       | Hunting Trip in Argentina and related expenses |
| <b>39</b>    | May 23-28, 2000         | Fishing Trip in Alaska and related expenses    |
| <b>40</b>    | September 8-13, 2000    | Hunting Trip in Alaska and related expenses    |

all in violation of Title 18, United States Code, Sections 1954 and 2.

**COUNT 41 [FORFEITURE]**

14. Upon conviction of one or more of the offenses alleged in Counts 1-40 of this Indictment, defendants **DEAN KIRKLAND, ROBERT LEGINO, and GARY KIRKLAND** shall forfeit to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c) any property constituting or derived from proceeds obtained directly or indirectly as a result of the said violations.

DATED this \_\_\_\_\_ day of August, 2002.

A TRUE BILL.

\_\_\_\_\_  
FOREPERSON

PRESENTED BY:

MICHAEL W. MOSMAN  
United States Attorney

\_\_\_\_\_  
NEIL EVANS, OSB # 96551  
Assistant United States Attorney District of Oregon  
WILLIAM B. JACOBSON  
Trial Attorney, U.S. Department of Justice, Criminal Division